

**Assembly Bill No. 231**

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Passed the Assembly    September 10, 2003

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*Chief Clerk of the Assembly*

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Passed the Senate    September 9, 2003

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*Secretary of the Senate*

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This bill was received by the Governor this \_\_\_\_\_ day of  
\_\_\_\_\_, 2003, at \_\_\_\_\_ o'clock \_\_M.

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*Private Secretary of the Governor*

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## CHAPTER \_\_\_\_\_

An act to amend Sections 11155 and 18901.6 of, and to add Sections 18901.9 and 18901.10 to, the Welfare and Institutions Code, relating to public social services.

## LEGISLATIVE COUNSEL'S DIGEST

AB 231, Steinberg. Food stamps: CalWORKs: benefits.

Existing law provides for the California Work Opportunity and Responsibility to Kids (CalWORKs) program and other social services programs, under which each county provides cash assistance and other benefits to qualified low-income families and individuals.

Existing law permits an applicant or recipient of benefits under the CalWORKs program to retain countable resources in an amount equal to the amount permitted under federal law for qualification for food stamps, and requires each county to determine the value of personal property and automobiles in conformance with methods established under the Food Stamp Program.

This bill would specify the method of determining the value of an automobile for purposes of determining those resources that may be retained by the applicant or recipient.

By increasing amounts of income and resources that will not be considered in determining CalWORKs recipient eligibility, the bill would increase the class of persons eligible for the CalWORKs program, and so would impose a state-mandated local program.

Existing law continuously appropriates moneys from the General Fund to defray a portion of county costs under the CalWORKs program.

This bill would, instead, provide that the continuous appropriation would not be made for the purpose of funding this motor vehicle exemption.

Existing law provides for the federal Food Stamp Program, under which each county distributes food stamps provided by the federal government to eligible households.

This bill would specify that rules governing the resource value of motor vehicles under the Food Stamp Program shall be aligned with an alternative program allowed under the federal Food Stamp



Program. It would require the State Department of Social Services to seek any federal approvals necessary to implement this provision.

Existing law requires each county welfare department, to the maximum extent allowable under federal law, to provide transitional food stamp benefits to households terminating their participation in the CalWORKs program for a period of 5 months, as specified.

This bill would eliminate the 5-month limitation on providing those transitional food stamp benefits. The imposition of this new requirement on counties would create a state-mandated local program.

Existing federal law establishes procedures for establishing eligibility under the federal Food Stamp Program, including the use of face-to-face interviews.

This bill would require each county welfare department, to the extent permitted by federal law, and except for good cause, to exempt a household from complying with face-to-face interview requirements at initial application and recertification but would permit a person eligible for an exemption from the face-to-face interview requirement to request a face-to-face interview to establish initial eligibility or comply with recertification requirements.

Existing law requires the department and the California Health and Human Services Agency Data Center to design, implement, and maintain a statewide fingerprint imaging system for use in connection with the determination of eligibility for benefits under the Food Stamp Program and other social services programs.

This bill would delete this requirement.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.



*The people of the State of California do enact as follows:*

SECTION 1. The Legislature finds and declares all of the following:

(a) Despite California's agricultural abundance, more than 2.2 million low-income adults in California cannot always afford enough food. About one out of every three adults experiences episodes of hunger, according to a recent UCLA survey of Californians' health status.

(b) Hungry Californians suffer from poor physical and emotional health, as well as a diminished capacity to learn and succeed in the workplace.

(c) The federal Food Stamp Program is an essential, cost effective tool in preventing hunger among hard-working families, including families making the difficult transition from welfare to work. It provides over \$1.5 billion in federal food purchasing dollars to stimulate local economies throughout California.

(d) Only 49 percent of eligible people are participating in the Food Stamp Program, according to the U.S. Department of Agriculture. Red tape and bureaucracy limit participation among eligible Californians—particularly working families, who represent 70 percent of eligible households—from receiving federally funded benefits. The UCLA survey found that 80 percent of adults who are income-eligible for food stamps and who are experiencing the actual pains of hunger are not receiving food stamps.

(e) California has not exercised certain federal options that would make the program more responsive to the needs of working families. These include transitional food stamps, reduction of unnecessary welfare office visits, and an increase in the value of motor vehicles that food stamp households can own.

(f) California's statewide fingerprint imaging system wastes money while deterring people from getting food stamps. The Bureau of State Audits recently determined that the state cannot justify the tens of millions of dollars spent on the implementation and annual operation of this system.

(g) The strategies contained in this act will help eliminate the barriers that prevent working families from getting food stamps. By taking these steps, the Legislature intends to prevent hunger



among working families and children, as well as save money and increase efficiency within state and county governments.

SEC. 2. Section 11155 of the Welfare and Institutions Code is amended to read:

11155. (a) Notwithstanding Section 11257, in addition to the personal property or resources permitted by other provisions of this part, and to the extent permitted by federal law, an applicant or recipient for aid under this chapter including an applicant or recipient under Chapter 2 (commencing with Section 11200) may retain countable resources in an amount equal to the amount permitted under federal law for qualification for food stamps.

(b) The county shall determine the value of exempt personal property other than motor vehicles in conformance with methods established under the Food Stamp Program.

(c) (1) The value of licensed vehicles shall be the greater of the fair market value as provided in paragraph (3) or the equity value, as provided in paragraph (5), unless an exemption as provided in paragraph (2) applies.

(2) The entire value of any licensed vehicle shall be exempt if any of the following apply:

(A) It is used primarily for income-producing purposes.

(B) It annually produces income that is consistent with its fair market value, even if used on a seasonal basis.

(C) It is necessary for long distance travel, other than daily commuting, that is essential for the employment of a family member.

(D) It is used as the family's residence.

(E) It is necessary to transport a physically disabled family member, including an excluded disabled family member, regardless of the purpose of the transportation.

(F) It would be exempted under any of subparagraphs (A) to (D), inclusive, but the vehicle is not in use because of temporary unemployment.

(G) It is used to carry fuel for heating for home use, when the transported fuel or water is the primary source of fuel or water for the family.

(H) The equity value of the vehicle is one thousand five hundred one dollars (\$1,501) or less.

(3) Each licensed vehicle that is not exempted under paragraph (2) shall be individually evaluated for fair market value, and any



portion of the value that exceeds four thousand six hundred fifty dollars (\$4,650) shall be attributed in full market value toward the family's resource level, regardless of any encumbrances on the vehicle, the amount of the family's investment in the vehicle, and whether the vehicle is used to transport family members to and from employment.

(4) Any licensed vehicle that is evaluated for fair market value shall also be evaluated for its equity value, except for the following:

(A) One licensed vehicle per adult family member, regardless of the use of the vehicle.

(B) Any licensed vehicle, other than those to which subparagraph (A) applies, that is driven by a family member under 18 years of age to commute to, and return from his or her place of employment or place of training or education that is preparatory to employment, or to seek employment. This subparagraph applies only to vehicles used during a temporary period of unemployment.

(5) For purposes of this section, the equity value of a licensed vehicle is the fair market value less encumbrances.

(d) The value of any unlicensed vehicle shall be the fair market value less encumbrances, unless an exemption applies under paragraph (2).

SEC. 3. Section 18901.6 of the Welfare and Institutions Code is amended to read:

18901.6. To the maximum extent allowable by federal law, each county welfare department shall provide transitional food stamp benefits to households terminating their participation in the CalWORKs program.

SEC. 4. Section 18901.9 is added to the Welfare and Institutions Code, to read:

18901.9. (a) For the purpose of eligibility under this chapter, the rules governing the resource value of motor vehicles shall be aligned with an alternative program allowed under federal food stamp law.

(b) The department shall seek any federal approvals necessary to implement subdivision (a).

(c) If any federal approvals are necessary to implement subdivision (a), that subdivision shall be implemented only upon the execution of a declaration by the director, which shall be



retained by the director, stating that any federal approvals necessary to implement subdivision (a) have been obtained.

SEC. 5. Section 18901.10 is added to the Welfare and Institutions Code, to read:

18901.10. To the extent permitted by federal law, and subject to the limitation in subdivision (c), each county welfare department shall, if appropriate, exempt a household from complying with face-to-face interview requirements for purposes of determining eligibility at initial application and recertification, according to the following:

(a) The county welfare department shall screen each household's need for exemption status at application and recertification.

(b) A person eligible for an exemption under this section may request a face-to-face interview to establish initial eligibility or to comply with recertification requirements .

(c) Nothing in this section shall limit a county's ability to require an applicant or recipient to make a personal appearance at a county welfare department office if the applicant or recipient no longer qualifies for an exemption or for other good cause.

SEC. 7. Notwithstanding Section 17610 of the Government Code, if the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code. If the statewide cost of the claim for reimbursement does not exceed one million dollars (\$1,000,000), reimbursement shall be made from the State Mandates Claims Fund.



Approved \_\_\_\_\_, 2003

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*Governor*

